

LEGISLATURE OF NEBRASKA
ONE HUNDREDTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 976

Introduced by Raikes, 25.

Read first time January 15, 2008

Committee: Education

A BILL

1 FOR AN ACT relating to schools; to amend section 79-4,108, Revised
2 Statutes Supplement, 2007; to change provisions relating
3 to dissolution of unified school districts; to harmonize
4 provisions; and to repeal the original section.
5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 79-4,108, Revised Statutes Supplement,
2 2007, is amended to read:

3 79-4,108 (1) Unified system means two or more Class II or
4 III school districts participating in an interlocal agreement
5 under the Interlocal Cooperation Act with approval from the
6 State Committee for the Reorganization of School Districts. The
7 interlocal agreement may include Class I districts if the entire
8 valuation is included in the unified system. The interlocal
9 agreement shall provide for a minimum term of three school
10 years. The agreement shall provide that all property tax and
11 state aid resources shall be shared by the unified system and
12 that a board composed of school board members, with at least
13 one school board member from each district, shall determine
14 the general fund levy, within the limitations placed on school
15 districts and multiple-district school systems pursuant to section
16 77-3442, to be applied in all participating districts and shall
17 determine the distribution of property tax and state aid resources
18 within the unified system. For purposes of section 77-3442, the
19 multiple-district school system shall include all of the Class I,
20 II, and III districts participating in the unified system and the
21 Class I districts or portions thereof affiliated with any of the
22 participating Class II and III districts. The interlocal agreement
23 shall also provide that certificated staff will be employees
24 of the unified system. For any certificated staff employed by
25 the unified system, tenure and seniority as of the effective

1 date of the interlocal agreement shall be transferred to the
2 unified system and tenure and seniority provisions shall continue
3 in the unified system except as provided in sections 79-850 to
4 79-858. If a district withdraws from the unified system or if
5 the interlocal agreement expires and is not renewed, certificated
6 staff employed by a participating district immediately prior to
7 the unification shall be reemployed by the original district and
8 tenure and seniority as of the effective date of the withdrawal
9 or expiration shall be transferred to the original district. The
10 certificated staff hired by the unified system but not employed
11 by a participating district immediately prior to the unification
12 shall be subject to the reduction-in-force policy of the unified
13 system. The interlocal agreement shall also require participating
14 districts to pay obligations of the unified system pursuant to
15 sections 79-850 to 79-858 on a pro rata basis based on the adjusted
16 valuations if a district withdraws from the unified system or if
17 the interlocal agreement expires and is not renewed. Additional
18 provisions in the interlocal agreement shall be determined by the
19 participating districts and shall encourage cooperation within the
20 unified system.

21 (2) Application for unification shall be made to the
22 state committee. The application shall contain a copy of the
23 interlocal agreement signed by the president of each participating
24 school board. The state committee shall approve or disapprove
25 applications for unification within forty days after receipt

1 of the application. If the interlocal agreement complies with
2 subsection (1) of this section and all school boards of the
3 participating districts have approved the interlocal agreement,
4 the state committee shall approve the application. Unification
5 agreements shall be effective on June 1 following approval from
6 the state committee for status as a unified system or on the date
7 specified in the interlocal agreement, except that the date shall
8 be on or after June 1 and on or before September 1 for a specified
9 year. The board established in the interlocal agreement may begin
10 meeting any time after the application has been approved by the
11 state committee.

12 (3) Upon granting the application for unification,
13 the State Department of Education shall recognize the unified
14 system as a single Class II or III district for state aid,
15 budgeting, accreditation, enrollment of students, state programs,
16 and reporting. The unified system shall submit a single report
17 document for each of the reports required of school districts
18 pursuant to Chapter 79 and shall submit a single budget document
19 pursuant to the Nebraska Budget Act and sections 13-518 to 13-522.
20 The class of district shall be the same as the majority of
21 participating districts, excluding Class I districts. If there are
22 an equal number of Class II and Class III districts in the unified
23 system, the unified system shall be recognized by the department as
24 a Class III district.

25 (4) The school districts participating in a unified

1 system shall retain their separate identities for all purposes
2 except those specified in this section, and participation in a
3 unified system shall not be considered a reorganization.

4 (5) The withdrawal of a participating school district
5 from a unified system or dissolution of a unified system shall
6 occur only if each participating school district in such unified
7 system either will be merged with at least one other school
8 district or will continue participation in such unified system
9 with at least one other participating school district following
10 such withdrawal or dissolution. The withdrawal of a participating
11 school district from a unified system or dissolution of a unified
12 system shall be accomplished and the rights and liabilities of
13 the participating school districts determined through an action for
14 declaratory judgment pursuant to the Uniform Declaratory Judgments
15 Act. An action under the act praying for the withdrawal of a
16 participating school district, dissolution of the unified system,
17 or a declaration of the rights and liabilities of the participating
18 school districts may be brought by the school board of any
19 participating school district. The court shall have jurisdiction
20 to determine all matters relating to the rights and liabilities
21 of the participating school districts, including, but not limited
22 to, the allocation among the participating school districts of
23 (a) the certificated staff employed by the unified system among
24 the participating school districts, (b) the real and personal
25 property acquired by and held in the name of the unified system,

1 (c) the local, state, and federal revenue of the unified system,
2 including state aid to be paid to the unified system for the year
3 following the withdrawal of a participating school district or the
4 dissolution of the unified system, and (d) the liability for the
5 repayment pursuant to subsection (8) of section 79-1010 of any
6 incentive aid received by the unified system and its participating
7 school districts, which liability shall be subtracted from the
8 state aid of the participating school districts to which such
9 repayment is allocated for the school fiscal years following the
10 last school fiscal year of participation of a withdrawing school
11 district or the operation of the dissolved unified system. The
12 State Department of Education shall implement and enforce all terms
13 of any decree of declaratory judgment entered pursuant to this
14 section.

15 (6) After the effective date of this act, the State
16 Committee for the Reorganization of School Districts shall not
17 approve or order into effect any new unified system under this
18 section or the addition of school districts to a unified system.
19 The committee may approve and order into effect the continuation
20 of a unified system if the continuing unified system will consist
21 of two or more school districts then participating in the unified
22 system or of two or more school districts which remain in the
23 unified system following the withdrawal of one or more school
24 districts from the unified system. For purposes of this subsection,
25 a school district created as the result of a consolidation

1 involving at least one school district then participating in
2 the unified system shall be deemed to be a school district then
3 participating in the unified system.

4 Sec. 2. Original section 79-4,108, Revised Statutes
5 Supplement, 2007, is repealed.